

CONFIDENTIAL

CONFIDENTIAL

REPORT

FOREIGN DOCUMENTS OR RADIO BROADCASTS

CD NO.

DATE OF INFORMATION 1950

DATE DIST. 5 May 1950

NO. OF PAGES 3

SUPPLEMENT TO
REPORT NO.

LANGUAGE Polish

THIS DOCUMENT CONTAINS INFORMATION AFFECTING THE NATIONAL DEFENSE OF THE UNITED STATES WITHIN THE MEANING OF ESPIONAGE ACT 80 U. S. C. 31 AND 32, AS AMENDED. ITS TRANSMISSION OR THE REVELATION OF ITS CONTENTS IN ANY MANNER TO AN UNAUTHORIZED PERSON IS PROHIBITED BY LAW. REPRODUCTION OF THIS FORM IS PROHIBITED

THIS IS UNEVALUATED INFORMATION

SOURCE Newspapers as indicated.

491 BILLION ZLOTYS ALLOTTED FOR INVESTMENTS
IN PROPOSED 1950 BUDGET

60 PERCENT MORE THAN 1949 -- Slowo Polskie, No 5, 5 Feb 50

The draft of the proposed budget for 1950 submitted to the Sejm for approval contains a plan for financing the investments foreseen for the year. The sum of 491 billion zlotys, almost 60 percent more than in 1949, is allotted for investments.

In the two basic branches of industry, heavy industry and mining and power, investments will amount to 102 billion zlotys, or more than 20 percent of the total investment funds. Investments in communications amount to 57,600,000,000 zlotys, or 11 percent of the total investment fund.

The sum of 36 billion zlotys has been allotted to the Ministry of Agriculture and Agricultural Reform for improvements and modernization, and 35 billion for investments in education, cultural, health, and social welfare projects.

The preliminary draft specifies the sources from which these investments are to be covered. The largest source is the State Treasury, which will cover 374,600,000,000 zlotys, or 75 percent of the total investments.

Not only has the total sum of investments increased, but the per-capita investments have also increased. In 1950, the per-capita investment will be almost four times more than before the war. This will be accompanied by a gradual rise in the standard of living.

NATIONAL BUDGET OVER TRILLION ZLOTYS -- Zwiaskowiec, No 7, 12 Feb 50

The total sum of the 1950 national budget, including municipalities, social insurance, other insurance, and investment funds, amounts to 1,256,800,000,000 zlotys, of which 550,400,000,000 (43.5 percent) are for national economic development, 412,400,000,000 (32.6 percent) are for education, training, culture,

- 3 -

CONFIDENTIAL

CLASSIFICATION

CONFIDENTIAL

[illegible]

CONFIDENTIAL

CONFIDENTIAL

50X1-HUM

health, and social welfare, 129,700,000,000 (10.2 percent) are for national defense and security, 101,200,000,000 (8 percent) are for administrative expense, and 72 billion zlotys are for other requirements.

Despite the continuous increase in the budget, income and expenditures balance. Only 10 percent of budget expenditures are for national defense and 90 percent for economic, cultural, and social welfare purposes.

The equalization funds of the local governments will receive, in addition to their own income, a special subsidy to carry out their broad community investment plans, especially the plans for workers' developments. An additional 6 billion zlotys have been allotted from the budget for the Housing Fund, which means that about 13 billion zlotys will be available for building repairs, almost three times as much as in 1949. Expenditures for child care will increase by almost 13,500,000,000 zlotys. There will be a further increase in expenditures for social welfare, especially insurance, pensions, family allowance; the development of a network of work inspection crews, and vocational training, especially for women. Expenditures for education and culture will increase by 32,300,000,000 zlotys, which is more than the increase in health and social welfare expenditures. As a result of increased salaries and some additional endowments, the budget for education and culture will increase by an additional 10 billion zlotys.

To achieve the income required by the budget, the production plan must be achieved, and a further reduction of production costs secured by intensifying planned savings in all branches of the economy. The liquidity of working capital must be improved, enforcement of taxes in the capitalist and small business sectors stepped up, and strict control over financial management established in all spheres.

HEALTH BUDGET TO BE 95 BILLION ZLOTYS -- Zwiaskowiec, No 6, 5 Feb 50

The budget of the Ministry of Health for 1950 will amount to 95 billion zlotys. This is 2 billion zlotys more than for 1949, and totals 20 percent of all state expenditures. Appropriations for the pharmaceutical industry will be increased to 27 billion zlotys, and the funds for the care of invalids will increase 180 percent.

APPROVES MINE MINISTRY BUDGET -- Dziennik Polski, No 23, 24 Jan 50

The Sejm Industrial Commission recently approved the 1950 preliminary budget of the Ministry of Mining and Power. Five industries subject to the ministry fulfilled production plans 103 percent; investment plans, excluding imports were fulfilled 99.4 percent. The coal industry exceeded its investment plan. Black-coal mines exceeded their 1949 production plan. Petroleum extraction in 1949 exceeded prewar extraction from the same sources.

As a result of intensive drilling and explorations, new sources of natural gas were discovered, new black- and brown-coal mines were developed, and new deposits of high-grade coking coal and potassium salts were discovered.

In coal mining, labor competition, especially team competition, has been greatly developed. Hygienic and safety conditions have been improved. About 2,000 houses have been provided for workers, and 3,000 more will be available in the next 3 months.

Production costs of industries controlled by the Ministry of Mining and Power were 4.8 percent below the preliminary budget estimates. Expenditures were reduced by over 6,700,000,000 zlotys.

- 2 -

CONFIDENTIAL

CONFIDENTIAL

CONFIDENTIAL

CONFIDENTIAL

50X1-HUM

The 1950 investment funds for power industries provide for the construction, development, and rebuilding of thermalelectric plants, further rural electrification, and development of gasworks and hydroelectric stations. Electric-power production will increase by 10 percent.

Existing fields of the petroleum industry will be developed, and appropriate measures will be taken to find new deposits.

- E N D -

- 3 -

CONFIDENTIAL

CONFIDENTIAL